

State of the City, 2011

Good morning, and, on behalf of myself and Council, thank you very much for joining us.

I would like to say thanks to our sponsors this morning—Emory Johns Creek Hospital and the Atlanta Athletic Club and our Hosts, the Johns Creek Business Association and the Johns Creek Chamber of Commerce for doing so much to make this event possible.

I want also to thank both the Johns Creek Chamber of Commerce and the Johns Creek Business Association for handling all the registration and getting the word out so you all could be here.

My thanks also to the Johns Creek Community Association and their work in getting the word out to our homeowners.

These groups and their ongoing support of our city promote strong, healthy partnerships.

Their work, uniting business, citizens and government is one of the reasons, I believe, that as our economy turns around, here in Johns Creek we will continue to be the premier place to live and to march toward becoming one of the premiere business addresses in the state.

On behalf of the Johns Creek City Council and Staff I would like to say what a pleasure it is to serve such a vibrant, intelligent and well-informed community.

It is an honor today to represent them and to address you.

And as my first order of business this morning, I would like to introduce your Johns Creek City Council.

Post 1 Councilmember Randall Johnson

Post 2 Councilmember Dan McCabe

Post 3 Councilmember Karen Richardson

Post 4 Councilmember Ivan Figueroa—who is unable to attend

Post 5 Councilmember Kelly Stewart

Post 6 Mayor Pro Tem Beverly Miller

Thank you for all that you do.

I also would I recognize a few of our esteemed guests,

Fulton County Commissioner, Liz Hausmann and Representative Lynne Riley.

Thank you both for taking the time out of you busy schedules to join us.

And each year—this is one of the few times I get to introduce our outstanding staff, who are such an important part of everything we do.

Council and I are so very grateful for and proud of the job that these people do, as I hope you are.

City Manager, John Kachmar

Deputy City Manager, Buzz Boehm

Fire Chief, Joey Daniels

Police Chief, Ed Densmore

Director of Finance, Monte Vavra

Director of Human Resources, Mary Ann Haskins

Director of Public Works, Ken Hildebrandt

Director of Community Development, Mike Williams

Community Relations Director, Grant Hickey

Our Communications Managers, Doug Nurse and Rosemary Taylor

And my Chief of Staff, Patty Hansen

I know this economy has presented some twists and turns that none of us could have anticipated—but overall, I believe we continue to fulfill the promise of:

- Fiscal Responsibility
- Transparency
- Responsiveness

As I work through this morning's presentation, I hope that you see each of these principles shining through in all that we do.

Let's start with our budget.

For the second year in a row, we have less revenue than the year before.

We are down approximately \$2 million from roughly \$47 million in 2009 to just over \$45 million this year.

And even though we have had less revenue, we have managed to balance the budget and maintain the highest quality of service—the basis of sound financial stewardship.

It was not good fortune, but steady management and strong partnerships with vendors and staff that allowed us to cut back on expenses, while maintaining our outstanding customer service.

With 4 years of experience under our belt, we took a good hard look at those services we felt our staff could now deliver and the services that were best outsourced. We then reduced outsourced contracts from \$17,000,000 to roughly \$7.5 million. We replaced some of those outsourced positions with city employees. The end result should save the city almost \$3 million once we absorb the one-time cost of transition.

And let me clear up something right now. We made these changes without drastically increasing the number of people working at City Hall or in Public Safety.

In February of last year, we had 222 full-time employees working in the City of Johns Creek, including those outsourced. Today we have 227 full-time positions—including those that are still outsourced.

When experts do a comparative measure of the number of employees per thousand residents, they typically take out for Police and Fire as that number can vary so much, dependent on the character of the community.

When we do the calculation for Johns Creek we have 1.1 individuals per 1,000 residents. According to information gathered by the Georgia Municipal Association, for cities with a population over 50,000, the comparable average is 7.1 employees per thousand residents.

Why is this important?

Johns Creek employs roughly 6 fewer people per 1,000 than the average city and we have the lowest and most efficient level in the state based on the cities GMA has data on.

That is good financial stewardship and good government.

Now, we wanted to go one step further.

For the cities over 50,000 that GMA had data on—and they did not have it for everyone—we added the public safety numbers back in.

Johns Creek was still the lowest in the state with roughly 3.2 per 1,000. The average was 10.5 employees per 1,000.

And, Johns Creek continues to maintain one of the lowest millage rates in the metropolitan Atlanta area and certainly one of the lowest for a large city.

We ask for less and still deliver the highest quality of service.

In re-negotiating our agreements with vendors while taking over management of all subcontracts, we have found areas in which we can save money, and increase accountability

Did the savings compromise service? I would say no.

The recent snow emergency is an excellent example.

Tell Dinner Story

Johns Creek was noted in local and national media for our handling of the crisis.

Before the storm hit, we had our emergency operations team in place and the plan in motion.

City staff and subcontractors were salting and sanding known problem areas and bridges before the first snow fell. Additional supplies were already on order and snow clearing equipment was on stand-by.

Crews worked 24/7 throughout the crisis.

It became clear early on that the Georgia Department of Transportation had their hands full and would not be able to treat state roads in Johns Creek.

For the health and welfare of its citizens, Johns Creek took action and salted, sanded and cleared the state routes--keeping vital roadways open.

Thanks to the City's aggressive response, we had only 15 accidents—all minor—during one of the worst snow and ice storms we have seen in decades.

When the storm was over, we continued. Although it took time, we responded to citizen requests, moving into subdivisions and treated trouble spots so that our citizens could safely return to work and, in some cases, get to the grocery store.

This all speaks to what great public works and public safety teams we have, and the importance of extraordinary customer service and always keeping public safety as our highest priority in our community.

And now let's talk a bit about public safety.

2010 was the first full year for CHATCOMM.

For far too many years, we were dependent on the questionable 911 operations of Fulton County system.

Thanks to a team of dedicated individuals and the unprecedented partnership with the city of Sandy Springs, that is no longer the case. Our two cities teamed up to create our own system.

In an emergency, seconds count and we count them.

Under the new system we have improved response times overall by about 2 minutes.

I don't think much more needs to be said. When seconds count, 2 minutes can mean a lifetime.

CHATCOMM handles an average of just under 200 calls for service daily in Johns Creek. That is over 71,000 calls for service last year alone.

The numbers speak for themselves and tell you that this is a much-needed service. More importantly—we have drastically improved the system.

Additionally this year, CHATCOMM will offer **Smart 911**.

Individuals are now able to log onto the system and enter pertinent health and safety information about their household or business.

That information will be available to first responders en-route in an emergency.

And just a note to everyone who has a telephone—both cell and land line—in the City of Johns Creek.

Please go and check your bill to be sure that the mandated charge for emergency 911 is going to the City of Johns Creek. If it does not say so in your bill, please call your company and ask them to correct it. If you do not get satisfaction, call City Hall or send an email to info@johnscreekga.gov.

This charge is how 911 services are paid for and it is imperative those dollars come to our system.

Working with CHATCOMM of course is our Johns Creek Police Department.

I think many in this room are well aware of how our safety has improved, but let's look at some numbers.

Traffic Fatalities

We went from 12 in 2007 to 0 in 2010.

Motor Vehicle Accidents

We went from 400 per month in 2007 to 134 per month in 2010.

Vehicle break-ins

We had 40 per month in 2007 and we are down to 17 per month in 2010.

Motor Vehicle Thefts

We had the same, 40 per month in 2007 and we are now down to 2 per month for 2010.

Not only is that good police work—that is sending the message that if you want to break the law, go someplace else. Johns Creek is not the place for you.

And-- it does not come as a surprise that our Johns Creek Police Department received both the Georgia Chiefs of Police and the National CALEA accreditations in 2010.

Both agencies recognize forces that adhere only to the highest standards.

We are the only one of the new cities to have achieved both.

It should be noted, however, that Johns Creek is the only force in the state to achieve both benchmarks in the same year.

Our police have also continued those great programs that have also shown such success in our community.

PACT (Police and Community Together)—a neighborhood watch/education program for all residential neighborhoods in the city.

SHIELD—our business watch/education program

STOP—a teen driver safety program coordinated with the Johns Creek Municipal Court to educate our young people on safe driving.

radKIDS—an important education program for our youngest children that enhances their knowledge, skills, and power to protect themselves from violence and harm.

And the JCPD has the only **underage drinking diversion** programs in the state. Teens arrested for this offense have the opportunity to complete the program and have the arrest removed from their records.

In this way they work through a program allowing them learn from their mistakes and, if they complete it, avoid the long-term implications a conviction can carry.

And we added a new program, the Citizens Police Academy graduated its first class last year and will begin the second later this year.

The Fire Department completes our public safety team.

They are not only responsible for protecting lives and property in a fire—which they do so well—but they are also our Emergency Medical Service responder.

To that end, we have revamped our relationship with Rural Metro Ambulance and placed two Quick Response Vehicles in the city. As a result, Johns Creek has become a considerably safer place to live and work.

We have built a strong relationship with Emory Johns Creek Hospital. Our staff works hand-in-hand to ensure that every transport is the safest, swiftest possible.

Our cardiac resuscitation rate in Johns Creek has gone from 5% under Fulton County to 16% today.

While doing all this, our department responded to 4,200 total calls.

As you can see, included in those calls were 125 working fires, 7 swiftwater rescues and over 1300 Emergency Medical calls.

They have trained over 3400 children and adults in Fire Safety and over 800 have completed a course in Cardiopulmonary Resuscitation and Automatic Electronic Defibrillator use.

And this past year our department was instrumental in helping Ciba Vision, our city's largest employer, become the first Heart Ready Business in the city.

I cannot talk about Heart Ready without mentioning Emory Johns Creek Hospital—the city’s partner in this great initiative.

The hospital emergency operations team works closely with the city as evidenced by the 4 emergency response drills hosted in 2010.

Emory—at no charge, but certainly at their expense—trained 26 Johns Creek Medics this year in Emergency Room, Operating Room, OB/GYN and Cardiac Emergency procedures.

Each received 32 hours of training—as part of our great community partnership with the hospital.

Emory is an outstanding partner in our community as well.

The hospital has received awards for outstanding business partnership in our schools.

They support—among other things:

- The Johns Creek Foundation
- Johns Creek Relay for Life
- Johns Creek Police Special Olympics Torch Run
- The Johns Creek Public Safety Foundation
- Johns Creek Fire Department/Georgia Burn Foundation
- And of course—they are one of today’s sponsors.

Thank you to Emory for all that they do—and we look forward to many years of working together.

Now let’s talk about how we are working, year in and year out, to make this a better place to live or start a business.

So much of how we are affecting our future has to do with land use.

This year Council and I, adopted revised Community Standards, to ensure that we are sending a clear message about the community’s vision for its future development.

We codified our zoning ordinance as well.

Both actions make us an easier, more attractive community to do business with, as well as ensure the highest standards down the road.

And through the incredible professionalism of our staff and a few years of working closely with the state of Georgia, our City has negotiated an agreement with the state allowing us to review

construction plans without oversight from the Georgia Environmental Protection Division. Johns Creek is one of about only 50 local governments statewide granted that authority.

This may seem to be somewhat “in the weeds” to you folks—but believe me, to a developer getting ready to make a decision on whether to invest in our community, the six weeks saved in the review process makes us a very attractive place to do business.

Our Community Development Department does their part to make our community safer as well. They worked with Fire to launch the “Click 2 Enter” program.

As you may know, gated communities can be a barrier when there is an emergency on the inside and our first responders on the outside.

Click 2 Enter allows first responders immediate access, again shortening response times and saving lives.

In addition, Community Development worked with ChatComm to validate over 28,000 questionable addresses in the City of Johns Creek. Painstaking work—but we know now that if you or a loved one is in one of those homes and business there will be no delay in your response time.

Although we are in the midst of what is turning out to be the greatest housing crisis our country has faced, we are still an attractive place to live.

Our building permits were up slightly last year, from 102 starts in 2009 to 138 in 2010.

As this market turns around, we are poised to ensure the highest standards not only in building, but in our customer service, making us a very nice place not only to live but to do business.

Our Public Works Department is also an integral part of our quality of life.

Without great public works we simply will not be a very good place to live or do business.

Fortunately—we’ve got a great Public Works team.

This department touches on everything from traffic to swim teams. They are the heroes of the recent snow emergency, the patient negotiators with GDOT and the “go-to” guys on ball field scheduling and re-scheduling rain-outs.

In 2010 our public works department successfully completed the rehabilitation of 10 bridges in Johns Creek, making for safer travel and more efficient emergency response.

They have worked tirelessly with the Georgia Department of Transportation to get the McGinnis Ferry Road project completed.

God willing—the road will be completed sometime this year. I understand they are currently considering a 90-day extension on the April deadline.

In the meantime, we have people out there working very hard to keep it on schedule and minimize the day-to-day aggravations.

And during the process they have opened up lines of communication—letting GDOT know if there is a problem on state roads that will negatively impact our traffic issues—and getting someone out there to fix it.

The Public Works team oversaw installation of beautification projects at Abbotts and Jones Bridge Roads and State Bridge Road medians this past year.

In 2011 they will be doing more of the same at Buice and Old Alabama.

They will be continuing to fill in sidewalk gaps on Jones Bridge Road and on Medlock Bridge.

They worked hard to get the Medlock Bridge portion of the Greenway close to completion. Expect to see that finished out this year, with some beautiful amenities such as benches, water fountains and lights.

The Intelligent Traffic System for the entire city was designed last year and we are in the final weeks of Phase I installation right now on Medlock Bridge Road.

We expect to begin Phase II on State Bridge Road later in the year.

In Parks & Recreation we continue to expand offerings to fill our community's needs.

We improved our parks—making all ADA compatible, renovating some ageing structures at Autrey Mill and adding additional parking at Ocee Park.

Last year we launched Music in the Park and I am pleased to announce it will be back for 2011. We had great feedback and true to form—we took it all in and I think this is going to be an even better event for our community this year.

The renovation of the historic Newtown School House is now complete and we are all looking forward to its opening and the start of Senior programming there this year.

We have talked since the City's formation of the need to make Johns Creek a multi-generational community.

The new Center is the right step in that direction.

We are looking forward to having our new dog park open early this summer.

And the best part—is that it is not being built with taxpayer dollars.

Thanks to Johns Creek resident, Pat McNeely, who entered a contest with Purina-Beneful pet food company —and won—the Newtown Park Dog Park is getting a \$500,000 facelift.

Pat and his dog KODA will be able to start enjoying it with you late this Spring.

All this goes toward making our community a better, more financially sound and attractive place to live and open a business.

And now let's talk a bit about the future.

A future that, I believe, cannot be separated from an informed conversation about an Economic Development Strategy for Johns Creek.

In order to continue to attract and support business in 2011 and beyond, I intend to work with Council to form a clear, coherent economic development strategy that fits our community's needs so that we can continue to grow and diversify our tax base in Johns Creek.

We need not only to revive, but to encourage a thriving local economy.

When you look at all I have outlined—we have the community. Now we need to decide how to sell it.

We need to tell our story better, and broader.

We need to attract more family-friendly businesses.

Our schools are overflowing with those families, and yet all too often, they drive to Norcross, Alpharetta, Cumming or Roswell to attend a live theatre performance, go bowling, ice or roller skate or even have a game of laser tag.

That makes no sense.

People need to understand more about who we are.

It is time—and I will look for input from my fellow Council Members and we will all seek your input to build a method and team to sell our unique community to future businesses.

To that end folks, we also need to prepare for the 2011 PGA Championship, coming right here to the Atlanta Athletic Club, August 8-14, and capitalize on the international exposure it brings our city.

Let's look at the numbers:

- The PGA Championship attracts between 35,000 and 40,000 visitors a day, well over 200,000 for the week.
- It is broadcast worldwide to 185 countries/territories with a potential household reach of more than 560 million viewers.
- We expect close to 1,000 media outlets from 13+ countries here for coverage.

You can't buy that kind of exposure for our young city.

I know many of you are thinking one thing—what about the traffic.

And yes, there will be some inconvenience, but let me reassure you.

This time around, you have the city working closely with the PGA—for over two years in advance—to manage the flow and do all we can to have a minimum impact on your day-to-day lives.

I hope you are also thinking something else—economic development. Because I assure you, I am.

We will have a bit more on the PGA Championship in a few minutes, but I am determined that once they leave town, we will leverage that exposure and use it to build and broaden our tax base.

Meanwhile, we will continue to get our businesses and citizens involved and actively playing a role in, these very important discussions.

In light of our need to develop economically, we need to take a hard, disciplined look at our community.

One thing that makes a community attractive or unattractive is infrastructure.

Businesses or residents will not move to a community with failing infrastructure.

We will need to make some fundamental decisions about how and if we are going to finance improvements in these areas.

Bit by bit we are making some progress on the infrastructure problems we inherited. We are not, however, keeping up.

Just as an example, we have resurfacing needs far beyond our ability to keep up.

We have land that we call Shakerag Park. It is not a park, but it could be.

Our approach has been slow and steady using only current tax dollars to make improvements.

Is that the approach the community wants to continue to take even if it means we cannot make significant progress for many more years?

Or in the alternative, do we want to look at a possible bond referendum—for transportation, resurfacing or even green space?

If we even want to consider it—we will need to look at a charter change.

The City's charter currently caps the millage rate at 4.731. I fully support that cap—and always have, as do my fellow council members.

However with or without a millage cap, citizens would normally have the ability to vote on a bond issuance as something separate from the cap.

That way the people can decide whether or not they want to address a particular need in the short term with bonded indebtedness.

I have spoken with the authors of the bill that created our city, and that was their intent for our citizens.

Unfortunately, in the cutting and pasting from other existing city charters which eventually became our charter that ability was not made clear and our charter simply does not allow for this today.

We have had complete review by Bond Counsel and in their opinion, if the citizens wanted to raise funding through a bond issuance, those bonds would be subject to the millage cap.

This means we could issue somewhere around \$4 million in bonds and only if we were able to get a favorable rating. Unfortunately we have also learned that our bond rating will be negatively impacted by the millage cap as well.

And even if we were able to place bonds using the small amount of millage that we currently operate below our cap, that amount will not begin to address the significant infrastructure needs we face today.

As an example, our resurfacing needs alone are at least \$15 million.

Right now, I might guess that the citizens would be hesitant to issue any bonds, given this unpredictable economy.

However—eventually you may want to and for all intents and purposes you cannot.

The charter needs to be corrected so that the question of issuing a bond is separate from the current millage cap.

The citizens need to be given the option, to decide to issue bonds for specific improvements if they decide it is necessary and in the best interest of the city.

Keep in mind, Council would not be able to issue a bond without the citizens express approval. They can call for the question to be placed before the public, but they would need to hold a referendum and the people would ultimately decide yes or no.

This brings us to a second correction needed in the charter.

Currently the charter calls for over 50% of the eligible voters to approve any referendum that will increase the millage above 4.731 mills.

It was the intention of the charter to mirror referendums as they are held in almost any other matter—that over 50% of the votes cast must be in favor if a referendum is to pass.

That one word—calling for eligible voters means that even if you wanted a bond referendum, unless over 50% of the registered voters came out to vote and voted in favor, your hands are tied.

We know that we are fortunate here to get over 30% of the voters to the polls.

The one time we did—was the vote for the formation of the City.

Other than that—it is not looking too good.

The chances of getting over 50% of eligible voters to even show up is near impossible—better yet for that percentage to vote in favor of anything.

If the citizens want to have a bond referendum, for transportation, for infrastructure, or even parks and recreation, they simply cannot at this point.

I do not believe the authors of the charter meant to take this choice away from our citizens.

I have always said that we will move at the pace our citizens demand.

If you are comfortable with our current pace and you do not mind waiting on neighborhood resurfacing, do not want to buy additional greenspace or make any significant investments in road improvements or capital improvements beyond the small amount we are able to currently invest each year, then we will sit back and do nothing to the charter.

But if this is something you either want us to get prepared for in the future or you desire any of this today, then we must ask our legislative representatives to clarify the charter to make this option available to you.

That is why we will continue this dialogue of correcting the charter.

It is my belief that this needs to be addressed soon. It is fundamentally wrong to ban the citizens from the option of raising funds to improve their community.

Remember—it is not the Council’s choice, it’s yours!

I will not attempt to move this forward without community dialogue.

Please let all of us know your thoughts. We are discussing this at our February 14 Council Meeting and your input is very much needed.

Meanwhile, we need to continue to pay our way so as to remain the fiscally responsible and solvent city that we are today.

We need to strive to build and diversify the tax base, and where appropriate, I believe we need to explore fees to better cover the expenses the citizens are taking on.

There is currently a trend away from general taxation towards fee-based charges. This has been shown to shift the tax burden away from the general citizenry and back to those that cause the community to incur the cost in the first place.

For this to be done right, I believe that you should not put fees in place without a compensating reduction in taxes so the fees do not become additive in nature.

If the fee is part of an unfunded mandate, or a new or expanded service that the citizens have asked for, the citizens will need to tell the Council whether or not they want a reduction that might cut services elsewhere.

Meanwhile, we will continue to look for cost-savings, like our collaboration with neighboring jurisdictions to improve our purchasing power and coordinate service delivery.

Such as—our sharing of IT costs with the City of Milton and our CHATCOMM partnership with Sandy Springs. We also need to continue to encourage private investment in our community where it makes sense—for instance in the Arts.

Our community began, years before anyone ever dreamed of a “City” as a group of residents focused intently on one thing—getting the best education in the State of Georgia.

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With that, there was a natural movement towards local arts groups. I believe that we need to encourage that growth where we can.

The schools are here for education, and they are continuing to deliver great results even while surviving massive budget cuts.

It is time for business and private individuals to step up and ensure that the small arts community that was starting to thrive prior to this downturn remains stable and will be in a position to grow along with us as the economy turns around.

We have star power in this community. We have strong fund-raising in this community as well.

And I want to call on those people who can, to step up and get involved.

We can build the best arts community in the state, just as we have been part of delivering the finest schools in the state.

In this—as in all we do—greatness needs to come from within our community.

If we are going to continue to raise the bar, we need to step up and do it together—as a team. We cannot wait for the economy to right itself. We need to be ready for opportunities today. I believe that our greatest strengths continue to lie in our diversity and our passion for excellence—and most importantly in our ability to treasure and respect that in each other, and in all we do.

I look forward to continuing to celebrate that with each of you as our year unfolds.

With that thought, I will close this State of the City address and again thank you for your time, your good advice and the talent that you bring to our community.

Sharing this city's successes never gets old—it is truly an honor to stand before you and to represent you. I thank you for your attendance today and for lending me the office of Mayor for this second term.

END SOC, 2011

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Normally I would move straight to Q&A, but this year is going to be different here in Johns Creek and so I am making a little change.

I promised earlier that I would have a bit more to present on the PGA Championship coming to Johns Creek in August. First, I would like to recognize Tom Adderhold the Atlanta Athletic Club's General Chairman for the event and Ryan Cannon, Championship Director who have been kind enough to join us this morning.

I am sure both these gentlemen will be happy to answer your questions and meet with you following this morning's presentation. For now—if I can ask your indulgence for a few more minutes. I would like to share with you the film produced to showcase our city to the world—as it should be—for the 93rd PGA Championship.

***** Run Film*****

Thanks very much to Rosemary Taylor and all the staff who did such a masterful job in pulling this together. Now the world can see just how great Johns Creek is.

And now—if you care to stay a few minutes longer, I will be happy to take your questions.